

TÜRKİYE SİGORTA ANONİM ŞİRKETİ

INTERNAL DIRECTIVE OF THE BOARD OF DIRECTORS

1. Purpose and Scope

ARTICLE 1- (1) The purpose of this Internal Directive (“**The Directive**”) is to regulate the functioning of the Board of Directors of Türkiye Sigorta Anonim Şirketi, the principles of the exercise of its duties and powers, the increase in the opportunities for cooperation between the Board of Directors and the Management, the effective and easy fulfillment of the Company's duties stipulated by the legislation in a shorter time, the exercise of the powers granted and the elimination of any doubts that may arise in the exercise of the powers.

2. Foundation

ARTICLE 2- (1) This Internal Directive has been prepared within the framework of the Turkish Commercial Code, Insurance Law No. 5684, Articles of Association of Türkiye Sigorta, CMB Corporate Governance Principles and related legislation.

3. Definitions

ARTICLE 3- (1) In this Internal Directive;

- a) Board: Board of Directors of Türkiye Sigorta A.Ş.
- b) Company: Türkiye Sigorta Anonim Şirketi
- c) Articles of Association: Türkiye Sigorta Articles of Association
- d) General Manager: The person who is responsible at the highest point of implementation, as specified in the Company's Articles of Association.

4. Structure of the Board and Membership Requirements

ARTICLE 4- The Board consists of at least 5 members. In the selection of members, care is taken to ensure the diversity of the Board by bringing experience and expertise from different sectors, including independent members. The Board distributes duties and elects the chairman and vice chairman. Members are expected to be equipped to make effective contributions in line with the strategic goals of the Company. In addition, it is taken into consideration that the candidates can allocate sufficient time to fulfill their responsibilities effectively. The structure and functioning of the Board must be in compliance with ethical rules, corporate governance principles and the Company's sustainability strategies. Members are elected by the General Assembly and their term of office is set as maximum three years. Members whose term of office expires are eligible for re-election, thereby preserving experience and ensuring continuity.

5. Duties and Authorisations

ARTICLE 5- As the highest decision-making body of the Company, the Board is responsible for strategic management and acts with the goal of creating value for all shareholders. The Board determines the Company's short, medium and long-term strategies, ensures the realisation of these strategies and regularly monitors performance. The Board oversees environmental, social and governance (ESG) performance as well as financial and operational performance, and takes strategic decisions in line with the Company's sustainable growth targets.

The Board is responsible for the appointment and dismissal of the General Manager and senior executives and regular evaluation of their performance. The Board approves the Company's budget and financial planning, and ensures that internal control, audit and risk management processes function effectively.

In addition, the Board determines the necessary policies for ensuring open and transparent communication with shareholders, developing the corporate culture and implementing ethical rules. The Board is responsible for the execution of internal and external audit processes and fulfills the duties stipulated by the legislation such as organising general assembly meetings and preparing annual reports.

Within the framework of risk management, the Board establishes the necessary mechanisms for effective monitoring of strategic, financial and operational risks. It takes appropriate measures for early detection and management of risks. The Board acts in accordance with the principle of transparency and accountability to ensure that the Company fulfills its public disclosure obligations and provides regular information flow to shareholders.

At Türkiye Sigorta, the Board and its committees are not authorised to receive external consultants or advisory services while performing their duties. External consultancy services required by the Company are provided with the approval of the Senior Management.

6. Board Meetings and Decision Making Processes

ARTICLE 6- The Board convenes at least four times a year to ensure the realisation of the Company's strategic objectives and to monitor the Company's performance. Meetings with agenda are organised within the framework of a predetermined calendar and meeting invitations are sent to the members a reasonable time in advance to ensure that they make adequate preparation for the meeting. Suggestions of the Board members are taken into consideration in the preparation of the meeting agenda. In addition, extraordinary meetings may also be held in line with emerging needs.

When deemed necessary, Board meetings may also be held electronically through digital platforms. It is essential that the members attending the meetings have complete information about the issues on the agenda and that a healthy discussion environment is provided. The principle of majority of votes is applied in decision-making processes, but in case of equality of votes, the chairman's vote is decisive. The decisions taken are recorded in the Board decision book and archived after being signed.

At the meetings, tasks are distributed to ensure that decisions are implemented and monitored. Communicating the decisions taken to the relevant committees and senior management units ensures the effective implementation of the decisions. The Board regularly reviews the Company's annual reports and financial statements at the meetings in order to monitor and evaluate the performance.

At the end of each meeting, the decisions taken in the previous meeting are evaluated and progress is reviewed. In addition, senior management, members of the Audit Committee and other relevant persons are invited to attend the meetings of the Board when necessary. This process ensures that decisions are taken in a transparent, accountable and informed manner.

7. Duties and Functioning of Committees

ARTICLE 7- The Board establishes various committees to ensure that the Company achieves its strategic goals, manages risks effectively and implements corporate governance principles. These committees are structured to assist the Board and make specialised assessments in specific areas. The working principles and procedures of the committees are determined by the Board and the committees submit regular reports on their activities to the Board.

- **The Audit Committee** is responsible for auditing the accuracy of financial reporting and compliance with the legislation. It monitors the effectiveness of internal control systems and works in close co-operation with internal audit units. It also coordinates the independent audit process and periodically informs the Board about the financial situation.
- **The Corporate Governance and Sustainability Committee** monitors the Company's compliance with corporate governance principles and makes recommendations for improvement. It guides the Board on corporate governance practices and supports efforts to improve relations with shareholders. It is responsible for identifying qualified candidates for Board memberships and senior management positions. The Committee ensures that candidates are selected on the basis of merit and diversity, and emphasises those who will contribute to the Company's long-term strategic goals. In addition, it evaluates the performance of the current management staff and makes succession planning.
- **The Early Detection of Risk Committee** works to monitor strategic, financial and operational risks and take necessary measures to manage these risks. It conducts various analyses for early detection of risks and regularly reports to the Board.

8. Evaluation and Transparency Principles

ARTICLE 8- The Board conducts its activities within the framework of transparency, accountability and ethical principles. Information processes for shareholders are conducted openly and regularly. The Company shares financial and non-financial information with the public in a timely and complete manner in line with public disclosure obligations. Annual reports, financial statements and corporate governance compliance reports are regularly published and presented to shareholders.

Compliance with ethical principles is one of the material issues of the Board. Necessary procedures are determined and audit mechanisms are established to ensure compliance with ethical rules in all activities of the Company. The Board adopts a fair, transparent and balanced management approach in order to build trust among shareholders.

In addition, the implementation process of the Board decisions is rigorously monitored and periodic evaluations are made to ensure compliance with the determined strategies. Internal and external communication channels are managed effectively and shareholders are encouraged to express their opinions on Company activities. Thanks to the strong communication established with shareholders, confidence in decision-making processes is increased and sustainable growth is supported.

9. Enforcement and Revision

ARTICLE 9- This Internal Directive enters into force on the date of approval by the Board. The Internal Directive is reviewed regularly every year in order to ensure compliance with the Company's activities, strategies and changes in the provisions of the relevant legislation. Updates deemed necessary as a result of the review are put into effect with the approval of the Board.

The Board is authorised to make revisions and amendments to the directive. In this process, the Company's objectives, corporate strategies and sustainability principles are taken into consideration. Announcement of the amendments made to the shareholders and public disclosure are carried out in accordance with the principle of transparency.